Agenda Date: 8/18/04 Agenda Item: III G



STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF COMCAST CABLEVISION OF BURLINGTON COUNTY, LLC FOR A RENEWAL CERTIFICATE OF APPROVAL TO CONTINUE TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN AND FOR THE TOWNSHIP OF BURLINGTON, COUNTY OF BURLINGTON, STATE OF NEW JERSEY

RENEWAL
CERTIFICATE OF APPROVAL

DOCKET NO. CE03050349

SERVICE LIST ATTACHED

BY THE BOARD:

On March 4, 1982, the Board granted Storer Cable Communications Inc. ("Storer") a Certificate of Approval in Docket No. 815C-6791 for the construction, operation and maintenance of a cable television system in the Township of Burlington ("Township"). On October 7, 1988, the Board granted Storer a Renewal Certificate of Approval in Docket No. CE87080863 for the Township. On June 27, 1994, Storer notified the Board's Office of Cable Television that it would now be known as Comcast Cablevision of Burlington County, Inc. d/b/a Storer Cable Communications ("Comcast"). This transaction was an internal reorganization not requiring Board approval. Subsequently, Comcast dropped the name Storer and was known as Comcast Cablevision of Burlington County, Inc. ("Comcast Burlington"). On January 24, 2003, Comcast Burlington notified the Board that it would now operate as a limited liability company, Comcast Cablevision of Burlington County, LLC

("Petitioner"). Although the Petitioner's above referenced Certificate expired on March 4, 2003, it is authorized to continue to provide cable television service to the Township pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the Township on April 22, 2002, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. On March 25, 2003, after public hearing, the Township adopted an ordinance granting renewal municipal consent to the Petitioner. On April 8, 2003, the Petitioner accepted the terms and conditions of the ordinance, in accordance with N.J.S.A. 48:5A-24. On May 8, 2003, pursuant to N.J.S.A. 48:5A-16, Petitioner filed with the Board for a renewal of its Certificate of Approval for the Township.

The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board <u>HEREBY FINDS</u> the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Certificate of Approval. Further, these qualifications were reviewed by the Township in conjunction with the municipal consent process.
- 2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is 15 years with an automatic renewal provision for a term of ten years thereafter pursuant to N.J.S.A. 48:5A-19 and -25. The Office of Cable Television finds these periods to be of reasonable duration.
- 5. The Township has reserved the right to review the performance of the Petitioner with regard to the ordinance and seek redress administratively through the Board. If the Township determines that the Petitioner has failed to substantially comply with the material terms and conditions of the ordinance, the Township shall provide written notice to the Petitioner of such alleged instances of non-compliance and shall grant the Petitioner 90 days to cure such deficiency. If the Petitioner does not cure the deficiency, the Township may petition the Board for appropriate administrative action, including revocation of the franchise or reduction of the franchise term.
- 6. The Petitioner currently provides service to all residents in the Township. For any future extensions, the Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate (Appendix "I"). The minimum homes per mile ("HPM") figure is 35.
- 7. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational

tariffs for unregulated service rates, and promptly file any revisions thereto.

- 8. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Township. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with the applicable rules.
- The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The Petitioner currently maintains local offices located at: 21 Beverly-Rancocas Road in Willingboro, New Jersey and 940 Prospect Street in Trenton, New Jersey.
- 10. The franchise fee to be paid to the Township is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Township. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 11. The Petitioner shall provide public, educational, and governmental ("PEG") access services, equipment and facilities as described in the application and the ordinance. The Petitioner maintains a fully equipped studio. The Petitioner provides an SVHS camcorder and microphone for non-commercial access users. The Petitioner shall continue to provide the Township with a system-wide public access channel.
- 12. Upon issuance of this Certificate, the Petitioner shall provide the Township with a one time grant in the amount of \$60,000.00 for technology related purposes. Upon completion of the above provision, the Petitioner shall provide the Office of Cable Television with a letter of confirmation that the condition has been met.
- 13. The Petitioner shall provide standard installation and preferred cable television service, free of charge, to one outlet to each qualified existing and future municipal building and public library in the Township, provided the facility is within 200 feet of active cable distribution plant. The Petitioner shall extend cable plant in order to provide the free service as represented above at its own cost to the Township Public Works Office and Water Treatment Plant. Installation of additional outlets shall be paid for on a materials plus labor basis by the municipality. Monthly service charges shall be waived on all additional outlets.
- 14. The Petitioner shall provide or continue to provide standard installation and preferred cable television service, free of charge, to one outlet to each qualified existing and future public and private, elementary, intermediate and secondary school in the Township, provided the facility is within 200 feet of active cable distribution plant. The school may distribute the signal to all classrooms within the school on the school's internal network as long as that network meets or exceeds FCC signal leakage standards. Should a school request additional outlets to be installed, such installation shall be paid for on a materials plus labor basis by the school requesting service.

Monthly service charges shall be waived on all additional outlets.

- 15. The Petitioner shall provide free basic Internet service via high-speed cable modem on one non-networked personal computer in each qualified existing and future school in the Township, at no charge. The Internet service shall be installed on a personal computer that is accessible to the students and shall not be used for administrative purposes only.
- 16. The Petitioner shall provide free basic Internet service via high-speed cable modem on one non-networked personal computer in each qualified existing and future public library in the Township, at no charge. The Internet service shall be installed on a personal computer that is accessible to the library patrons and shall not be used for administrative purposes only.
- 17. At such time as the Petitioner begins offering discounted rates to senior citizens and/or disabled persons served by any of their cable systems in New Jersey that do not currently offer such a discount, the Petitioner shall offer the same or an equivalent discount to eligible customers in the Township. The discount shall be applied in accordance with all applicable state statute and regulations.
- 18. The Petitioner shall appear at least once annually, upon reasonable written request of the Mayor, at a public hearing of the governing body or before the Township's Cable Television Advisory Committee, to discuss matters pertaining to the provision of cable service to residents of the Township and other cable related issues of concern to the Township.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u> that, pursuant to <u>N.J.S.A.</u> 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of <u>N.J.S.A.</u> 48:5A-1 <u>et seq.</u>, that the Petitioner has complied or is ready to comply with all applicable rules and regulations imposed by or pursuant to State and federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is <u>HEREBY ISSUED</u> this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Township.

This Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> §76.1 <u>et seq.</u> including but not limited to, the technical standards 47 <u>C.F.R.</u> §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or the

Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire March 4, 2018.

DATED: 8/19/04

BOARD OF PUBLIC UTILITIES BY:

JEANNE M. FOX PRESIDENT

FREDERICK BUTLER COMMISSIONER

CONNIE O. HUGHES

COMMISSIONER

CAROL J. MURPHY COMMISSIONER

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Office of Cable Television Line Extension Policy

Company

Comcast Cablevision of Burlington County, LLC

Municipality

Township of Burllington

Docket No.

CE03050349

A cable operator is required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system.

Actual subscribers served by the extension are required to absorb the remainder of the cost.

If new subscribers are added to the extension the cost is adjusted and those who previously paid receive an appropriate rebate.

1. # of homes in extension mileage of extension

homes per mile (HPM)

of extension

2. HPM of extension
Minimum HPM that
company actually
constructs in the
system *

ratio of the density
of the extension to the
minimum density which the
company constructs in the

system ("A")

3. Total cost of building the extension times "A"

company's share of extension cost

Total cost of building extension less company's

share of extension cost

total amount to be recovered from subscribers

5. Total amount to be recovered from subs
Total subscribers in extension

4.

each subscriber's share

In any case, the company shall extend its plant along public rights of way to:

- 1. All residences and businesses within 150 aerial feet of the operator's existing plant at no cost beyond the normal installation rate.
- 2. All residences and businesses within 100 underground feet of the operator's plant at no cost beyond the normal installation rate.

^{*} The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes which the company has historically constructed at its own cost. This is a function of the operator's break even point and its rate of return. Unbuilt systems will use the primary service area rather than construction.

The operator's installation policies shall apply to construction beyond the public right of way.

Detailed accounting and/or financial information to support the minimum HPM shall be supplied to the Office for its approval in such form as required. The minimum HPM shall be updated as appropriate.

When a request for service is received, and unless good cause is shown, cable companies shall:

- 1. Provide a written estimate within 30 days of such a request.
- 2. Begin construction within 60 days of receipt of any deposit monies from potential subscribers.
- 3. Complete construction within six months of receipt of any deposit monies from potential subscribers.
- 4. Inform each home passed along the extension of the potential costs for subscribers.

Subscribers who pay for an extension shall be entitled to rebates in the following manner:

- 1. If the company acquires new subscribers subsequent to the initial calculation of step 5 above, the formula will be adjusted and those who have previously paid for the extension will be entitled to an appropriate rebate. In no event shall the amount of the rebate exceed the subscriber's contribution.
- 2. The company shall keep accurate records of the cost of the extension, the amounts paid by subscribers and any appropriate adjustments.
- 3. The company shall notify subscribers in the extension of their rights and responsibilities concerning the extension.
- 4. Once an individual dwelling has paid its share of the extension cost future reconnections or installations shall be made at the company's standard rates.
- 5. After a period of five years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five years shall be at the company's standard rate.
- 6. Once a subscriber is installed, that person shall not normally be entitled to a refund of any monies paid for the installations, except in accordance with the rebate procedure outlined in this policy.

Definitions

Primary Service Area

The Primary Service Area (PSA) can be an entire municipality but in many instances, the PSA is a limited area within a community outside of which a line extension policy may apply. The PSA is depicted by a franchise map and narrative, presented and recorded during the franchise proceedings. It normally remains a fixed geographic area throughout the life of the franchise.

Line Extension Survey

Potential subscribers residing outside the PSA who request service are entitled to an estimate of their share of the cost to secure service. When conducting a survey and estimating costs, a cable company should factor-in all potential subscribers who could practicably be included in the extension and give consideration to apparent residential construction in areas contiguous to the proposed extension.